

in
spite
of
permanence

(in Europe or elsewhere)

the Soviet Union is some form of military aggression, resulting in
situations ~~and~~ ^{and confirm} and US actions tending to spread the belief that
^{harm} the US interest in ~~Europe~~ ^{allies} is (and can only be) fundamentally military.

NAT Military Strength

The total armed strength of the European NAT

members (including the UK) by mid-1943 will be determined mainly by the

by the US
priorities assigned during the next few months to meeting their prospective

~~material~~ ^{for materials, machinery, and end-items} requirements, in relation to the priorities given to the expansion

of US capacity and the equipment (and re-equipment) of US forces. In any

event the military strength contributed to NAT by its European members

will be a good deal less---and a good deal less well balanced---than the

estimated optimum assumed for purposes of US aid programming. On the

assumption that US plant expansion continues and US armed forces are

equipped as presently projected, the actual military strength of the

European NAT members in mid-1953---in terms of balanced forces fully

trained and equipped (with appropriate operating reserves and replacements)---

might amount to as little as half the strength required to meet MDP

schedules. Even on that assumption, however, the scale of their total

expenditures for defense might not fall far short of the scale of

expenditure to which they have committed themselves, and they might also

have come close to meeting their commitments in numbers of troops trained

and under arms. There appears to be a good prospect that, barring major

changes in the world military situation, NAT plans for the defense of Europe

will ~~be~~ ^{By mid-1953} be established on a basis considered acceptable by the responsible

political leaders and realistic by the responsible military leaders of the

principal NAT countries.

Economic Burdens The European NAT countries will continually be readjusting their defense activities---particularly those relating to munitions production---to minimize the strictly economic effects of rearmament, according to their several national policies. Their economies will nevertheless remain highly unstable, under the influence of world market conditions and various internal pressures beyond the control of their governments, individually and collectively. US economic policies will decisively affect the European economies. The immediate effects, under presently established policies, will be generally inflationary, but not to an unbearable extent. European officials, business men, and bankers will remain concerned over the possible ^{later} emergence of deflationary tendencies, and by the end of the period this may well have become their main concern. The inherent instability and rigidity of the European economies will continue to be the real limitation on the development of European defense.

Political Stability The "center" elements in all the European parliaments and cabinets will continue to be divided among themselves on important issues of internal policy. In case the world situation does not become ^{still} ~~more precarious~~ more precarious as a result of Soviet and US moves and countermoves, however, the collective strength of the "center" elements may have begun to increase by the end of 1952, lessening the bargaining power in internal affairs of the various elements supporting the governments in foreign policy.

The present leadership of the major center parties throughout Europe is generally skilful and responsible enough to take advantage of such a tendency. The possible replacements of some of these leaders by younger men less tried and experienced, less widely known and respected, adds considerable uncertainty to the political future, particularly in France and Italy, where the existence of strong Communist parties will tend to weaken the "center" elements at the expense of nationalistic, authoritarian rightist movements. The least predictable of the Western European countries is Western Germany. The government of an independent Western Germany, with its nationalist traditions and its renewed strength, will find very onerous the limitations inherent in its international position. The crucial political problem in all the Western European countries is the strength of the trades union leadership ready to support the

aims of NAT and the ability and willingness of the political leaders behind NATO to manage internal policies in such a way as to win and hold trades unions support. With skill and luck, the present ~~government~~ pro-NAT leaders should be able to hold their own on the promise that Europe will be "over the hump" by 1953 and entering an era of stability, justice, and prosperity.

European Confidence and Will to Resist The morale of Europe should continue slowly to improve with the rise of a new generation, ~~dissociated from the~~

which ~~considers that it has little~~ feels dissociated from events

is capable of responding strongly before and during World War II, and ~~responds~~ to the purposefulness

injected into postwar Europe by the United States. This group

~~generation, the target which it is the main aim of the Communists~~

~~it is to exert influence and control~~ To influence and enlist this

generation is ~~proving~~ a major ~~task, the~~ of the US, as it is of

Soviet, policy. The ~~present~~ most urgent task ~~is to give the military~~

~~introduce into the training of the new armies of the Central~~
~~training exercises that~~ efficiency and respect for the individual

European in the training of the new ~~armies~~ ~~continental~~ armies, ~~and the~~

while continuing and expanding the ~~body of doctrine~~ influence of

the ideas associated with the doctrine of "productivity." The greater

part of the older ~~generation~~, though ~~not~~ immune to ~~Soviet~~

^{new} influence, will continue to be governed by ~~past~~ old loyalties and

earlier hopes and disappointments, and will remain fearful, and

sceptical, and on the whole passive. The influence of this generation

will still ~~dominate~~ be predominant in ~~the~~ ~~Parliaments, newspapers~~

~~and educational institutions of Western Europe~~ all the organized

activities of Western Europe, ^{newspapers,} in ~~business, journalism, politics,~~

^{Schools,} education, ~~trades unions, labor and business organizations, and~~

^{political parties, the} unions, and labor

NAT

European Unity and Cohesion As the ~~NATO~~ forces become larger, better equipped, and

better trained, the ~~NATO~~ NAT organization will become ~~stronger~~ more effective,

which is the real measure of Western strength, will though this qualitative improvement, will lag ~~considerably~~ behind the quantitative

improvement in the defense of Western Europe. By mid-1953 the naval and air

elements in NATO should be very ~~well~~ well organized. The NAT ground forces will

be ~~by no means equal to the well equipped forces at too many different~~

stages of readiness, ~~both~~ in numbers, ~~and~~ in training, and in equipment, and the

discrepancy between plans and actuality will ~~be~~ still ~~be~~ too great, to permit

~~of effective~~ their being well organized. It seems very probable that ~~there will~~

will be taken

~~be~~ significant steps toward ~~inter-European integration~~ integrating the ~~continental~~

activities of Western Europe---through the ~~European Army~~ Schumann Plan, ~~the~~ the European

Army, the OEEC, ~~and~~ the EPU, and even (perhaps) the Council of Europe. Present

European leadership is clearly anxious to avoid trouble over the many questions

before them that are capable of arousing national antagonisms at home and abroad.

of this kind,

~~There~~ Their only chance of avoiding serious ~~trouble~~ trouble ~~of considerable scope~~

~~issues, is~~ however, is by ~~funding these issues~~ asserting the positive idea of

European integration so as ~~to avoid~~ not to have to handle them bilaterally, ~~with~~

calling on the good offices of the US. Whether ~~they will take~~ the European

further

governments will take aggressive action to carry out the idea of European integration

is ~~entirely problematical~~ very largely dependent on the personal courage of a

few leaders. The odds are somewhat in favor of their making the effort. If they

can agree to make the effort, the odds are strongly in favor of their ~~successing~~

success in ~~dismissing~~ avoiding serious ~~inter-European~~ inter-European
the widespread fears of American domination by the US.

Significance of the Broadening of the NAT Coalition. Western

Germany, Greece, and Turkey will ^{very probably} ~~all~~ become full-fledged members of NATO during the period. Spain and Yugoslavia will not ^{very probably} ~~be~~ accepted as members or associates, ~~unless the~~ except in the improbable event that ~~they~~ their governments undergo radical transformations. The accession of Germany ~~to NATO~~ will enormously strengthen the potential strength of NAT, but will not add greatly to NAT strength in being in 1953. The one major ~~possible~~ risk involved in admitting Germany, Greece, and Turkey to NATO is that of a strongly adverse Soviet reactions.

What might be the effect of Soviet pressures on the developing NAT fabric?

Jeune
The probable impact of a Soviet attempt at a broad relaxation of tensions

would be a slowing and scaling down of European (and ~~probably~~ ~~not~~

probably of US) rearmament. This would be a good thing for Europe, for

for US-European relations, and
the US, ~~and~~ for NATO ~~because it is rather improbable~~ (and hence, rather

improbable). Other Soviet cold-war moves are not likely to have any

significant effect, except within the Soviet bloc and the Western

European Communist parties. The main danger to Western Europe, to

NATO, and to US relations with Europe, is the possibility of ~~military~~

~~some~~ some kind of military action by Satellite forces, regular or

Western
irregular, at ~~some~~ one or more points along the frontier ~~between~~

of the Soviet bloc. The powerful desire of the European NAT members ^{not directly} affected

to localize any ~~such~~ counteraction, and the fear of US pressure to

~~extend the scope~~ broaden its scope, would create major problems,

calling for a very high degree of courage and self-control. ~~such~~ ~~partly~~

The US Role The growth of European strength will depend to a
decisive extent on US aid (as already indicated), ~~but will not~~
~~require or even permit US unilateral and bilateral initiative~~
~~on a unilateral or bilateral basis~~. The European governments will
continue to acknowledge, and stress, the enormous impact that US
action will have on Europe, and will seek US collaboration and support,
both on a bilateral and a multilateral basis. But the development
of European strength will less and less require or permit US ~~initia~~ ^{the}
to take the initiative in determining European ~~policy~~ policies, and
this fact should have become very plain by ~~the~~ mid-1953.